

Meeting of 2002-5-21 REGULAR SPECIAL MEETING

MINUTES  
SPECIAL CALLED MEETING  
LAWTON CITY COUNCIL  
MAY 21, 2002 - 5:00 P.M.  
WAYNE GILLEY CITY HALL COUNCIL CHAMBERS

Mayor Cecil E. Powell,                      Also Present  
Presiding                      Bill Baker, City Manager  
   John Vincent, City Attorney  
   Brenda Smith, City Clerk

The meeting was called to order at 5:00 p.m. by Mayor Powell. Notice of meeting and agenda were posted on the City Hall notice board as required by law.

ROLL CALL

PRESENT:                      Randy Bass, Ward One  
   James Hanna, Ward Two  
   \*Glenn Devine, Ward Three  
   Amy Ewing-Holmstrom, Ward Four  
   Robert Shanklin, Ward Five  
   Barbara Moeller, Ward Six  
   \*Stanley Haywood, Ward Seven  
   Michael Baxter, Ward Eight

ABSENT:                      None.

\*Devine and Haywood entered as shown below.

ADDENDUM:

1.     Authorize the creation of a Council Committee to study and recommend to the Lawton Water Authority appropriate rates for service for the public utilities provided in the City of Lawton and authorize the Mayor to appoint three Council Persons to the committee. Exhibits: None.

Mayor Powell said in view of the fact that this will have to be looked at in depth, he felt it was imperative to have a group to study this and give a recommendation to the Water Authority and in turn the Council. He said he would like to appoint four members, some of whom have attended meetings in the past and heard discussions, Bob Shanklin, Randy Bass, Amy Ewing-Holmstrom, and Barbara Moeller. Mayor Powell said one person would have that ability from outside water sales, and codes and statutes would prohibit that person from voting. He said many would like to sit on the committee for obvious reasons but he would ask the committee to let those with concerns express them at the committee meetings, and then make an intelligent decision. He asked that the City Manager, City Attorney and Finance Director attend the meetings.

MOVED by Baxter, SECOND by Hanna, that we establish a committee for the water rate study.

Moeller asked what exactly the committee was being asked to do. Mayor Powell said we have all heard bits and pieces in a hurried fashion, we have a copy of the presentation, and there are things that need to be studied on this thing to see if there is going to be an increase in water sales to our citizens inside, to our citizens on the outside, to businesses, and there is something hanging in the air and we have nothing we can really attach onto.

Moeller asked if the Mayor felt the committee would serve better than having the whole Council do this and allow people to see the process being used since they are the ones who will ultimately pay for this. Mayor Powell said there will be ample discussion after it is brought back and anyone can address it, and he felt the committee was needed. Moeller said she was talking about the thought process they would go through and all the different opinions and approaches, and since it affects every citizen, she would be inclined to feel it should be done in front of the whole Council so the people can see it and provide input as to what they might agree or disagree with. Mayor Powell said he seriously doubted the Council would act on the first recommendation and there will be opportunities for public discussion and for them to call their Council members, and he made the committee as inclusive as he possibly could. Moeller said she was talking about the people, and Mayor Powell said he had as

many representatives on it as he could to allow for that to take place. He said they will be able to say the reasons for doing certain things after doing that in depth study and it would be better that way.

Vincent said the committee will have to follow the guidelines of the Open Meeting Act with the agenda and notice being posted. Moeller asked if people could attend the committee meetings in the audience and Vincent said yes. Mayor Powell said it was not hiding anything but just trying to get deeper into it and Moeller said she did not mean to infer it was.

VOTE ON MOTION: AYE: Hanna, Ewing-Holmstrom, Shanklin, Moeller, Baxter, Bass. NAY: None. OUT: Devine, Haywood. MOTION CARRIED.

#### BUSINESS ITEM:

1. Consider and discuss the proposed preliminary FY 2002-2003 City of Lawton Budget. Exhibits: Budget distributed previously.

Mayor Powell said there would be no public hearing tonight as this is a budget workshop session; the City Manager will make a presentation and Council will begin the review tasks. He asked if Council could attend another special meeting this coming Thursday at 5:30 p.m. to continue budget reviews and that was agreeable.

Baker's budget presentation is summarized as follows: The budget is submitted in accordance with the Charter and State budget act. Deadline for approval is June 23, with submission of the final budget to the Comanche County Excise Board and State Auditor by July 1. The budget is balanced but with a recommendation that Council increase the utility rates to generate \$2.92 million additional revenue. Back to 1997 the City has increased utility rates only once to provide additional funds for operation, and that was changing the minimum from 3,000 to 2,000 gallons in 1997. In November 1998, the Council added \$2.35 to the sewer bill to finance the Sewer Rehab Program, which was designed only for that program and not to assist the operating budget.

The current year's budget is \$53.8 million and the recommended operating budget for next year is \$55.4 million, or an increase of 1.03%. The Capital Improvements Program is currently budgeted at \$30 million and proposed is \$27 million; debt retirement in the current year is \$627,169, proposed is \$754,000. Total budget for the current year is \$84,745,414; proposed for next year is a reduction of \$1,118,668 or \$83,626,746 total. The overall reduction is due to the capital improvements program, where certain projects are programmed each year and it just depends on what projects are done during a given 12-month period and how much is spent.

Departments were given guidance to prepare budgets for the same service level and to identify a 10% cut. Total departmental requests were \$59.4 million, and \$3.9 million was reduced by the City Manager during and after departmental budget reviews.

The two key components of a budget are revenue and expenditures; revenues must be projected for the year based upon experience and current economic conditions. Total resources to support the proposed budget consist of the projected carry over, or funds remaining at the end of the year, and the projected revenues for the coming year. When new programs are initiated or new commitments made by the governing body in a given fiscal year with no corresponding revenue increase to support the changes, recurring expenses are created that will have an impact on the budgets for the future. Two examples of this are implementation of mass transit and a cost of living increase given to members of the bargaining unit; those impact the current year and all succeeding years.

Revenue had to be provided to support the 4% pay increase for the International Association of Firefighters bargaining unit, and it equates to \$238,956. There is a non-appropriation clause in the contract in the event the City does not have the resources to pay that 4% and to re-open negotiations. There is another commitment to the IUPA bargaining unit and funds are included in the proposed budget for a pay raise as instructed by Council previously with an estimated cost of \$238,000. Also included are funds for general employees; during the current fiscal year Council gave a 3% cost of living adjustment to general employees at mid-year, and we must budget that 3% for the entire year next year, which is an additional \$307,000. Also included in the preliminary budget is a recommendation for a cost of living increase of 3% for general employees at a cost of \$623,157. The Employee Advisory Committee has recommended a 4% cost of living increase for general employees and may wish to address the Council.

Another new financial commitment is mass transit; the second year local share is \$477,000. This year's local match was \$200,000, so there is an increase of \$277,000. Maturation of the pay plan has a cost of \$474,920 due to the incremental steps and merit increases as employees progress through the steps. \$142,000 was added to the general employees retirement plan, increasing the City's contribution from 6.12% to 7%, and there is a recommendation that the employee contribution increase from 4% to 4.55%. Several years ago the plan was funded at 105% but it has gone down to 95% and that needs to be reversed so the plan can be fully funded. The health insurance plan has experienced difficulty remaining fully funded and Council took action during the year to decrease benefits, which has helped but the budget includes an additional \$312,654 for health insurance. A

recommendation will be brought forward on increasing premiums for employees. Historically, when the City has increased its contributions for health insurance, we have asked employees to also increase their contribution.

\*Devine entered at this point.

There is an increase in the chemical accounts for the treatment plants of \$29,583, and that may or may not be enough money, depending on the amount of water and wastewater that is treated. Another factor is the ozone system may become operational at the water plant, which would require additional funding, but it is not likely that it will be completed this budget year.

There is an additional \$95,000 for mowing and Council recently approved a contract in this regard. It represents a higher level of service and a commitment to an improved appearance of public grounds, and hopefully fewer complaints will be received in this area. Funds are included for repair of damages done as a result of utility repairs to items such as fences, driveways, yards and streets and we are contracting out this work, which allows the Street Division to continue to work on FEMA projects that must be done within an 18-month period and an extension will likely be required in this area.

Baker presented a chart and said he was recommending an increase in the operating budget of \$1.6 million. Looking at only the personal services accounts, there is a \$2.3 million additional commitment; mass transit is \$277,000 more, so just those items show additional commitments of \$2.6 million and that includes nothing in the maintenance and operation area. The increase being recommended is \$1.6 million so Baker had already cut the budget by \$1 million, which is significant

There is a recommendation to change to once a week garbage collection effective October 1, 2002, which is projected to create a savings of \$315,000 and will defer equipment replacement in the amount of \$150,000. Should Council elect not to make this change, funds will have to be put back in the budget.

The budget is based on an estimated carry over of \$1.5 million. The current year's budget included a carry over of \$3.5 million, which was very optimistic and the Finance Director had cautioned against that. Luckily the actual carry over was \$3.2 million, so this fiscal year began with a \$300,000 problem but it could have been much worse. The budget has been so tight that this year we cannot anticipate a carry over of more than \$1.5 million. Sales tax collections, sewer and refuse revenues are estimated to increase 2% over the current year. The biggest revenue source is the sale of water, and there is no projection for growth or increase in revenue from that source. Costs for petroleum, electricity, and natural gas are projected to remain stable.

Public Works began a program to replace pipe when water lines break, instead of patching or putting on bands and having to go back two or three times. This program costs about \$100,000 a year, it does not have to be done but should save money in the long run and reduce the irritation and inconvenience to citizens. He said the funds could be deleted but he did not recommend it.

Significant cuts were made in capital outlay; the current year funds \$2.2 million and \$1.8 million is recommended for the coming year. Last year capital outlay was cut from \$3 million to \$2 million and it cannot be done too many years in a row but it can be done another year because the fleet is in good shape, but you cannot continue to delay replacement of equipment because it will affect services, down time, over time, and maintenance costs.

There is a recommendation to reduce a net of 22 employees and another was identified within the last day or two. 27 positions were identified to be cut but there is a request to add four others. Savings will be approximately \$578,000. Ten of the positions are connected to the once a week refuse collection. Some positions are vacant, and every effort will be made to place employees and take advantage of attrition to minimize the number of people who will be actually laid off. The City Code provides that if you are laid off, you can either work 90 additional days or take severance pay of 90 additional days, which affects the overall net savings.

Another cut is reducing the Museum budget from \$515,000 to \$450,000, and it is not due to non-support of the Museum. They recently became accredited and are doing wonderful things, but Baker could not in good conscience cut every operating department and leave the Museum alone so there is a recommendation to reduce it by \$65,000.

Account 231 in the Mayor and Council budget has \$150,000 for economic development this year, and the proposed budget contains \$100,000 in that account.

Additional comments: The 2000 CIP is moving along well and projects are being accomplished. Those planned for this year are listed in the budget. \$2,276,436 is included for the fifth year of the Sewer Rehab Program, which is a very successful program and saves a lot of money. \$800,000 is included in Account 35, which is money from FEMA due to ice storms and it is set aside for the Street Division and they must get the projects done or we could lose the funding. The pumping surcharge of \$190,000 is an off-set account because the pumping charge is passed on to the customers.

A major reorganization Council previously approved is shown in the budget and it will include a new department called Community Services, which will combine Building Development, Planning, Housing and Community Development, Neighborhood Services and Animal Welfare. We are recruiting for that new department director and Council can decide whether or not to continue with that reorganization.

Funding is included for the Youth Services Coordinator, which the Council added last year. It is moved from the City Manager's office to Parks & Recreation, and so far, it seems to be working well.

There is \$30,000 for Emergency Management. Council will be asked to decide whether these funds will be used to continue the current contract with the County or to hire our own Emergency Management Coordinator. During budget reviews, a decision will be needed on that issue. Council previously directed that staff write our own Emergency Operations Plan and take action to activate our own Emergency Operations Center; the Fire Chief has been working on that with a committee and it is a much bigger job than we thought but a decision is needed at some point as to whether we will do this separately or if we will continue our relationship with the County. If \$30,000 is budgeted for the program, the State Emergency Management Office advised we would be eligible for another \$15,000 in grants.

The budget contains a small reserve of \$470,955, which represents about 1.3% of the operating portion of the general fund. Experts recommend 8-10% in reserve and Council needs to think about that and in the future somehow we need to increase that reserve.

Baker said, in summation, one year ago in transmitting the current year's budget, he advised Council as follows: "I have done everything possible to present a preliminary budget for Council's consideration which requires no rate increase. This was a year ago I stood right here and said this. In my opinion, this will not be possible next year, unless revenues increase significantly, expenses decrease significantly, or a combination of both occurs. It appears a certainty that Council will have to seriously consider raising utility rates to fund the 2002-2003 budget. Service levels, programs and projects will be seriously affected if additional employees are cut, if replacement of capital outlay is again deferred and if appropriations for maintenance and operating accounts are further reduced. As predicted, I could not balance the FY 2002-2003 preliminary budget without additional revenues. I have cut everything that I could in good conscience. I cannot recommend additional cuts. To do so would be irresponsible on my part, and that's my opinion. Preparation and submission of the annual preliminary budget is the City Manager's responsibility, perhaps one of the most important. This budget simply represents my recommendation to you. Council now has full authority to act on that recommendation. You have several options at this time, I've identified three of them, one, you can accept this budget as recommended and decide upon the best method to raise the additional revenue. Another option, you can cut the budget by \$2.9 million or direct that I go back and identify these cuts, and if you direct me to do so, I will do that and I will bring it back to you. A third option, you can do a combination of these things. You can cut appropriations and you can increase revenue by whatever amount may be necessary. I respectfully ask that you do none of the above until you have reviewed the entire budget, division by division. During this process, you will identify things you want to cut, you'll identify things you want to add. Once completed, you will have a clear picture of how much additional revenue, if any, you wish to add to support the budget and its programs and services. As always, staff welcomes input from the governing body and the citizens to assure that the adopted budget meets the needs of this community and is fiscally responsible. We look forward to reviewing the proposed budget with you."

Shanklin said we are raising the budget from last year \$1.6 million but we are asking to generate \$3 million in new revenue from water, and asked for further explanation. He said Baker had departments take 10% out of their budget but did not know if that was after the increases or from the past year and if so, did Council get a copy of it. Baker said the 10% was identified as a separate document in the budget submittal and he asked that a 10% reduction be identified compared to this year's appropriations and they had given that to him and he took some of that into consideration and some of it is reflected in the budget, some of the recommendations are not reflected in the preliminary budget because he did not recommend some of them and some departments had a very difficult time identifying that 10%.

Baker said the \$1.6 million is the increase in the operating budget, the \$2.9 is the additional revenue needed because some of the revenues have gone down, such as the landfill has gone down \$200,000. Steve Livingston, Finance Director, said the carryover estimate dropped to \$1.5 million so the Manager was faced with making up funding there. Baker said the \$1.6 million is additional expenditures and you have to consider the reduced carryover, and looking at all expenditure and revenue projections, we need \$2.9 million to balance the budget as submitted.

Shanklin asked if all of the raises are included in the budget. Baker said yes. Shanklin asked if the lapses were considered. Baker said the current year's budget was balanced assuming a \$750,000 lapse for salaries and we will be very close to that, it was very optimistic, and that is another change, we only budgeted a \$500,000 lapse in this budget, so if Council wants to budget a \$750,000 lapse, there is \$250,000 that can be added but he would not feel comfortable with that and we are barely going to make the \$750,000 and the budget gets so tight that you have absolutely no flexibility.

Shanklin asked if Council got a copy of the 10% reduction that departments submitted, and they had in the past and it was good reading because you find that 10% of the people do 95% of the work, so we need to keep that 10 and run the other 95 off. Baker said he could provide a copy of that but they did not cut their budgets 10%, they identified 10% that could be cut if it had to be.

Baxter said he thought Council instructed the City Manager to bring a balanced budget and this was not balanced if it had a negative of \$2.9 million. He said page two shows department requests for 2002-2003 total \$59 million, and 10% of that is not \$3.9 million, that is no where close to 10%, you are off \$2 million. He said last year's operating budget was \$53 million so it seems they added \$6 million.

Baker said he asked departments to identify, as a separate document, a 10% cut from this year's budget for his consideration as he was developing the budget and an example would be the once a week refuse which was something he felt he could recommend; there were other recommendations in that 10% that he did not recommend and we may get into those if Council does not want to generate additional revenues, but the 10% is not reflected in this budget, the \$59 million is their request and the 10% was separate and apart from that. He said if everything identified in that 10% was cut, you probably would not have to raise utilities at all, but he did not think Council would want to do that. Mayor Powell said it would eliminate some very critical services in this community.

Devine said he thought Council needed to know that because as long as he had been here he had said he did not and would not support an increase on utilities, but it would be helpful for Council to see that 10% reduction they are willing to give up and let Council make that decision or at least look at it.

Bass said there is a statement that "if Council elected to raise the entire amount from outside water customers, an additional \$1.5 million would have to be generated from residential, business or industrial customers". He asked if that meant we cannot raise the full amount from outside water sales. Baker said in the study Council just received on the water rates, if we project out those costs they gave us, we could possibly generate \$1.4 million in additional revenue from outside water sales, to include one contractual agreement that is actually in the city. Baker said if you raise those rates, it could bring in up to \$1.4 million and if that is done, the remaining \$1.5 million would have to be generated from inside the city; if you only generate \$1 million from outside sales, then you are looking at \$1.9 million from inside, and those are tough decisions and it was one reason that the committee would be very important because this needs to be looked at very carefully. Bass asked if Baker was saying they could not raise \$2.9 million and Baker said not based on the numbers from the consultant.

Mayor Powell said one of the reasons for appointing this committee was when you get to the end of this journey, there will be an answer to how do you get to this bottom line. He said hopefully by the time they conclude the reviews, they will have some degree of recommendation. Bass said part of that sentence was that if Council elected to raise it from outside customers, but there is a question of whether you can actually do that. Baker said that third paragraph was referring to the \$1.4 million; if you increased outside water rates the entire \$1.4 million, then you would have \$1.5 million still needed.

\*Haywood entered the meeting at this point.

Shanklin asked that Council be provided records as to how many raises everyone has had, that means steps and raises, for the last five years. He said if they are given a raise of 3% plus a step increase of 5%, that would be 8%, and then 3% more this year, that would be 11% and then 14% in two years, and are you going to tell the taxpayers we are giving 14% to some people and if he was wrong, he wanted to know it and the only way to find out would be to go back and get the records on the raises and steps. Shanklin said we have had 9/11 and an economic problem world wide, and our economy is down.

#### MAYOR AND COUNCIL

Baker said Account 231 was reduced from \$150,000 to \$100,000, and travel was reduced about \$3,000. Baxter said his book did not show a reduction of \$3,000 in travel. Baker said he reduced the requested amount, and that was not shown; the appropriation this year is \$15,000 and we are projecting expenditures of \$14,000 next year. Shanklin asked if the Contingency was included in Account 231. Baker said no, 231 is just the economic development fund, and \$40,000 of that is under contract to Cameron University for the economic development effort. Council Contingency is in the City at Large budget portion. Mayor Powell said 231 was treated like Contingency last year; no one wanted to fund it but everyone wanted to use it.

#### CITY CLERK

Smith said the budget is about the same as the previous year; the computer expense is for a software upgrade rather than an additional computer. This will also fund the last year of a five-year lease purchase for the postage machine. Number of employees remains the same.

Devine asked if Smith anticipated hiring a Deputy Clerk and Smith said yes, as soon as possible.

Bass asked if the computer software and mailing machine would be funded from rolling stock. Baker said it is out of the capital outlay fund that is referred to as rolling stock, yes.

Smith said the City Manager did not cut the travel because it is usually included in the employment contract, but the national conference trip in Account 265 could be deleted for a savings of \$900. This amount was deleted, with a question mark to remain beside it.

Shanklin asked if Baker had shown how much would be taken from the \$3 rolling stock for computers. Baker said he did not but would do so. Shanklin asked Vincent to explain the rolling stock. Vincent said rolling stock is a name we have given this account which was approved in 1995, however, the actual resolution talks about capital outlay; it was treated as purely rolling stock for the first several years but that is not the limitations that are on it.

#### CITY MANAGER

Baker said the primary change is the move of the Youth Services Coordinator; the proposed budget is \$268,000 next year compared to \$302,000 this year, so it is reduced but it is due to moving the Youth Services Coordinator to Parks & Recreation.

Shanklin asked if the \$3 rolling stock adopted by resolution could be changed as it was not voted on by the people; Council can change it and designate those funds as desired. Vincent said the resolution could be amended, yes.

Baxter asked what Account 216 was for, \$250 under Uniform & Clothing. Baker will check on it.

Bass asked if the Youth Coordinator would be considered again and response was yes, it will be with the Parks & Recreation budget.

#### AUDITING

Rick Endicott said the budget has changed little from the previous year. Devine asked how many vehicles they have and Endicott said one. Hanna asked about the clothing allowance. Endicott said the person who does the City's entire inventory is given boots or jeans or wet weather gear.

#### LIBRARY

Marion Donaldson said the Library is open 63 hours per week, has 50,000 borrowers and in a week about 2,500 to 3,000 people come in. The automation has been very successful, people can see the catalogue from their homes or offices, reserve books and tell if the books are on the shelf. She said page 30 was a little confusing showing the budget proposed is \$1,019,017, but actually the City is only putting in \$933,720 because the two figures from the general fund and rolling stock are from the City, there is a State grant of \$40,865 and then \$44,432 from the County. On Page 31, in the 2002-2003 proposed budget, a lot of this column is combined so if you go down to Account 264, it looks like we are getting \$10,350 from the City but we are actually only getting \$350, and the rest is grant funds, \$10,000, and the same with the Training and Travel, 265, only \$600 of that is from the City and \$2,330 is from the grant. She said out of the personnel, \$684,060 is paid by the County.

Baker said the library books is a large item but it does not buy as many books as you would think, and he cut it and the Librarian reminded him that the McMahon Foundation gave the City \$100,000 grant for books and they were hoping we would not cut the budget for books so we left \$117,000 for that.

Haywood asked if the person serving as Librarian I was leaving. Donaldson said no, that is a little misleading, they took a full-time senior clerical position at about \$23,000 and changed it to two part-time positions for \$17,000, and then changed a Librarian I to a Librarian II so she did not cut a Librarian I as it sounds. Mayor Powell asked if they were losing anybody and Donaldson said only the full-time clerical. Donaldson said by increasing the Librarian II, she did all of that out of the \$23,000 for the full-time position that was cut on the clerical and still gained \$2,890 by doing that.

Baxter said it looked like one more person was being added. Donaldson said there would be two part-time, but the Librarian I was increased to a Librarian II. Donaldson said the two part-time people would help in being open 63 hours and having enough bodies to cover those hours; also, when any of the part-time are ill or take leave at the circulation desk, she has to pay that person's salary, as well as bring in another circulation person to fill those hours, and having two people on 20 hours as their regular duties allows pulling one of those people instead of paying double for those hours.

Moeller said she would be interested to know after six months if the attendance increases after the transit has been in operation. Donaldson said they are getting an increase right now due to the computers and word processors and they track the figures and she could study that after six months.

Baker said the proposed right hand column on personal services, the 3% indicated is included in the proposed budget and has already been added to the individual 100 accounts, so if you take that out, the amounts would be reduced accordingly. He said he told each director that they would have the opportunity, if Council allowed it, to present their budget and try to sell anything they can, and if they can convince Council to put things back in the budget, he would have no hard feelings and would not resent that or hold it against them, and the only thing he asked was that they do it right here and no go over his head or behind his back prior to tonight, and he thought they had done that.

## INFORMATION SYSTEMS

Doug Wells said the City Manager's budget guidance was to submit a budget with no cut in services over the last year, and then give a 10% reduction based on this year's 100 accounts and last years 200 and 300 accounts, so we were cutting 10% after all pay raises were shown. He said cutting 10% in his department meant losing employees.

Wells said the City Manager recommended a reduction of one computer operator in the MIS Division. There are over 600 programs to be maintained with a staff of five. There is one network administrator, one microcomputer specialist, to maintain a network of over 300 computers, adding all hardware and software, and maintaining a web page which was started two or three years ago without any additional cost. Wells said the MIS budget is slightly less than last year's but there is nothing left to cut without cutting more people.

Wells said if the computer operator is deleted, all employee groups will have to be notified that their checks will no longer be in the banks on Thursday, but they should be there on Friday. It could also affect payment of vendors, and Lawton is the only city that makes those payments weekly. If this position is deleted, we may end up not getting some claims paid each week, causing a week's delay, which should not be too bad but there will be some affect.

Baxter suggested paying the vendors monthly like most people do, and he did not know if that would help with the position, but it should free up some time for someone during the week.

Shanklin said we are paying \$60,000 for nine people, subtracting \$27,000 for overtime. He said we should not think we are under paying someone.

Haywood asked if the computer operator position being considered for deletion was at the top of the steps and Wells said none are. Haywood suggested the position be put back in and continue with two operators. Mayor

Powell asked the reason. Haywood said the division does a lot of work, much more than people realize, and it is important that people get paid on time and that the vendors get paid. Mayor Powell said he would support

Baxter's comment that it is customary to pay once a month as far as vendors are concerned.

Bass asked if this was the last year for the computer lease purchase agreement for \$51,000. Wells said he thought we would owe for another six months or so after that.

Baxter said Account 241, Telephone and Postage, has tripled over the last three years. Wells said it is partly due to the DSL connections required for the outlying fire stations, which is very expensive.

Ewing-Holmstrom asked for further explanation of delays in payments due to deletion of a computer operator position. Wells said the position requires data entry, and some banks would not post the direct deposits until 3 p.m. on Fridays so employees could not access their funds until after that time, but they were sending them on Thursdays now to prevent those problems. Ewing-Holmstrom asked if we were paying an extra person to be sure the money is available. Wells said in a data entry setting you normally have one person entering the data and a second person verifying it, and that was the reason for the two positions, and there will be only one person doing both tasks, which will slow things down.

Wells said in regard to Shanklin's comments, we probably have a position or two that gets paid a little better than the normal rate, but Lawton has been very fortunate to get the quality of people we have for the salaries we pay.

Mayor Powell said Haywood had recommended putting the clerk back in and a decision is needed. Moeller asked how much would have to be put back in and Wells said about \$26,000 to \$27,000. Mayor Powell asked if Council wanted to make a decision or to make a mental note and come back to it later. Wells said he was not asking that the position be put back in; we will make do, and he would love to have the position, but it is an extremely tight budget and if he had to lose a position, this would be it. Bass asked if the person could be put in another position. Wells said he had no other positions; last year's budget cut his administrative support and one of the part-time positions shown would help with key punch and administration.

Haywood asked about the Employee of the Month who was in a part-time slot and Wells said she is being hired to fill a vacancy in the 911 Center which recently came open.

Mayor Powell said he would show a plus of \$26,000 to be finalized later and move on.

Wells said in Emergency Communications, last year we had 156,000 calls for service and 50,000 of those were 911 calls. They also handle radio transmissions, and there are five people on duty at any given time and he reviewed duties of those individuals, pointing out the high priority of this area due to the public safety aspect. He said the staff do a tremendous job and he could use three more people and three more consoles, and the 10% decrease is impossible here due to equipment costs and staff needs. Wells explained the travel requirements are due to certification requirements.

Wells reviewed the Electronic Maintenance Division budget, noting only four employees and he outlined all of the duties involved in this section.

#### LEGAL DEPARTMENT

Vincent said the budget shows the loss of a part-time clerical position in the Prosecutor's Office for a savings of \$10,000. There is an increase in travel due to the number of civil actions involving mainly CIP Projects, and the State requires 12 hours of continuing legal education. He said Account 312 can be reduced by \$2,100 as the computer software required was purchased from this year's budget

#### MUNICIPAL COURT

Donna Mata said their 10% reduction is through loss of one Deputy Court Clerk position, and a position recently became vacant so it would not involve any actually being displaced. Approximately \$7,000 has been received in fines during the amnesty period. Amount of revenue received from fines was discussed; \$350 uniform expense is for the Bailiff's position.

#### FINANCE

Steve Livingston said two positions were lost in the Finance Department, those being a buyer and an assistant supervisor in Revenue Services.

Haywood spoke in favor of retaining the buyer position, noting the gentleman has been with the City for many years and is not yet ready to retire. Discussion was held concerning City Code provisions regarding reductions in force, seniority issues and performance evaluations.

Bass asked if they were updating the computers and Livingston said they have about 20 in the department and try to replace one or two a year.

Baxter said he could appreciate Haywood trying to save people's jobs but there is a need to reduce expenses and that cannot be achieved by doing that. Haywood said seniority should be considered. Baker noted the assistant supervisor position in Revenue Services is now vacant and has been for quite some time.

Devine asked how many vehicles the department has. Livingston said he thought about 11, most are for the meter readers and one is for the mail courier, but he would provide a definite answer later.

Livingston said the City at Large shows \$801,000, which is funding for 3% for city employees and 3% for bargaining units. Account 231 is for the hotel/motel tax and after July 1 it will be deposited into and held in this account to be administered properly, and any accumulation would remain in this account. Account 279 is Council Contingency in the amount of \$100,000, and \$24,000 will be for the City's share of County revaluation costs for properties due to ad valorem taxes.

COMMENTS: None.

There being no further items of business, the meeting adjourned at 6:55 p.m. upon motion, second and roll call vote. Budget reviews will continue on May 23 at 5:30 p.m.